

Powerco Materiality Assessments

The purpose of Powerco's materiality assessments

Materiality assessments help us identify and prioritise the issues that matter most to Powerco and our stakeholders. They inform our business strategy, guide decision-making and shape how we focus our efforts across environmental, social, governance and financial considerations.

Understanding what our stakeholders value is a key input into our business strategy. It helps us connect the issues that matter most to our stakeholders with the mahi we carry out across the business.

During 2020 and 2023, we used a combination of specific online surveys, interviews and desktop reviews of global megatrends to determine what issues were most important to our internal and external stakeholders. This involved engagement with approximately 500 of Powerco's stakeholders.

During FY25/26, we looked for efficiencies in our materiality assessment process by integrating targeted questions into our regular business stakeholder engagement programme. Using our previous material issues as a starting point, our engagement programme provided us with insights that helped refine and update our material issues.

Ngā Pou

Ngā Pou (our pillars) represent our key focus areas to provide sustainable value to our stakeholders. They were established through our 2020 materiality assessment and although they have been refined over time, remain relevant today.

Te ao Māori concepts

Ngā Pou draws from te ao Māori concepts, where Te Teo is a hitching stake that safeguards and protects. Ngā Pou are the pillars of our sustainable business.

For Powerco, Te Teo provides the foundation and security for the delivery of Ngā Pou.

FY26 Materiality Progress

During FY26, in addition to continuing to gather insights from general stakeholders, we focused on groups where we have historically had limited materiality feedback.

The following methods for data collection occurred during FY26:

- Debt investors via email survey
- Tangata whenua via
 - post-event surveys
 - staff feedback from discussions at tangata whenua events
- General stakeholders via
 - Powerco's Pānui email bulletin
 - staff internal surveys
- Mass customers via customer satisfaction surveys to over 2,500 customers

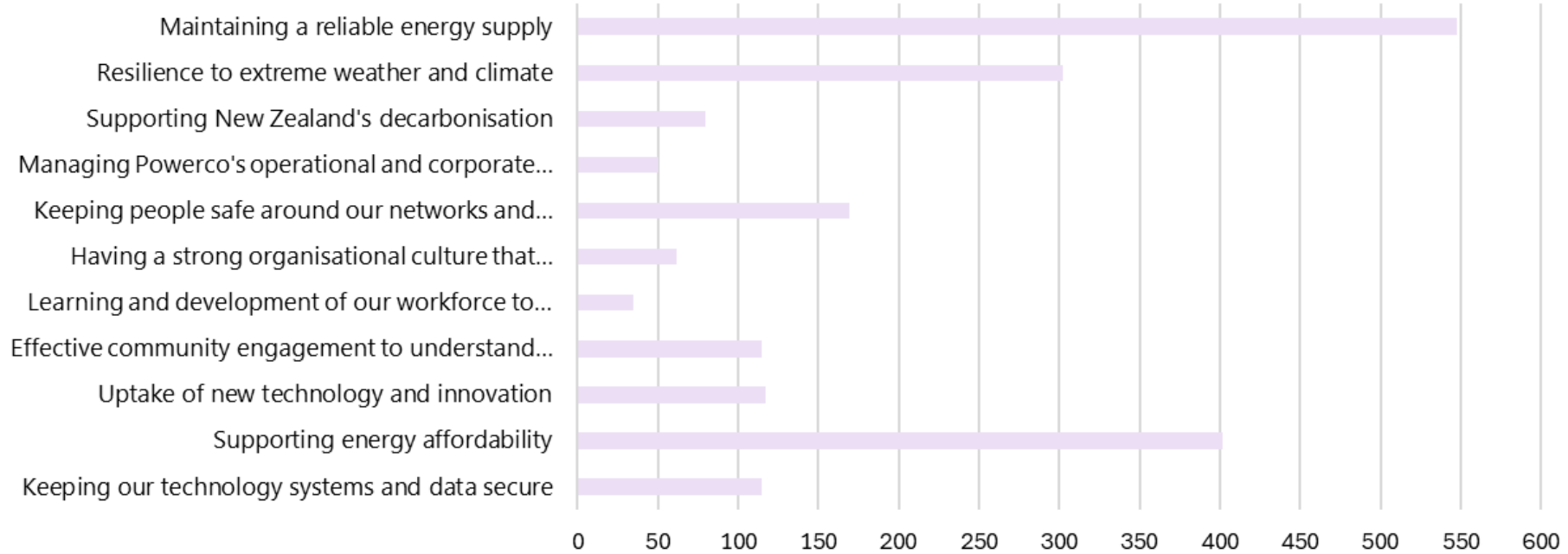
Methodology

Specific materiality questions were posed to stakeholders to identify the most important issues for each stakeholder group. In some cases, direct feedback was limited. Where this occurred, insights were gathered from staff through one-to-one and group engagement opportunities. These insights helped deepen our understanding of stakeholder priorities and how they can contribute to or detract Powerco's value.

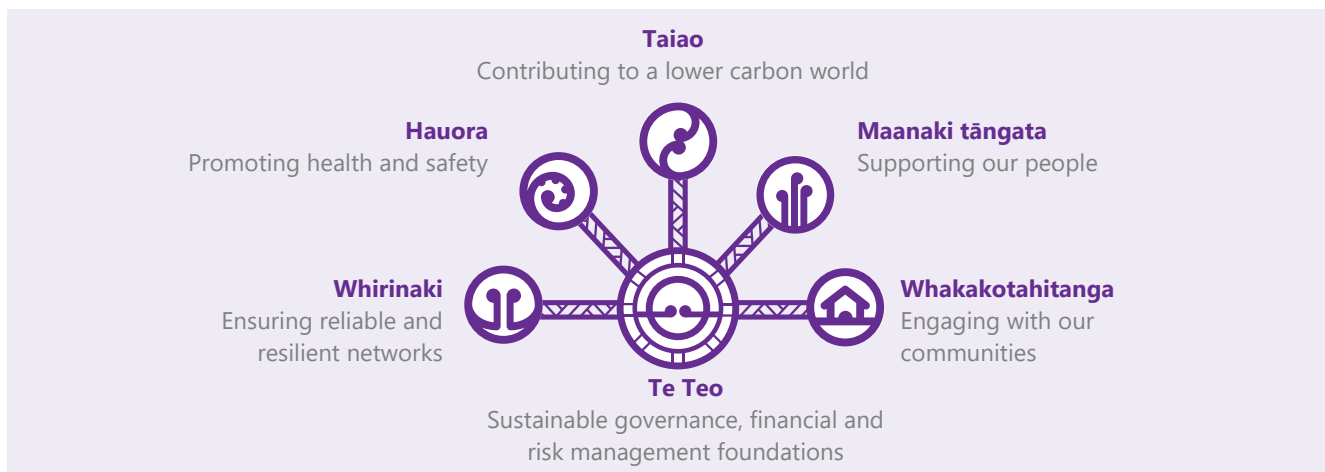
We are committed to strengthening our feedback mechanisms for all stakeholder groups and appreciate that building trusted and genuine relationships takes time.

An example of results from one of our general customer survey questions is included on the next page.

Please choose up to three topics that show what matters most to you. These could be things Powerco is already doing well - or things you think they should focus on more.



Ngā Pou: How we measure and communicate value



Stakeholder engagement: Material sustainability issues

	<p>Whirinaki</p> <ul style="list-style-type: none"> Maintaining a reliable energy supply. Resilience to extreme weather and climate.
	<p>Hauora</p> <ul style="list-style-type: none"> Keeping people safe around our network and worksite.
	<p>Taiao</p> <ul style="list-style-type: none"> Supporting New Zealand’s decarbonisation. Managing Powerco’s operational and corporate climate footprint.
	<p>Maanaki tāngata</p> <ul style="list-style-type: none"> Having a strong organisational culture that enables people to thrive and deliver for our customers. Learning and development of our workforce to enable delivery for our customers.
	<p>Whakakotahitanga</p> <ul style="list-style-type: none"> Effective community engagement to understand our customers’ needs.
	<p>Te Teo</p> <ul style="list-style-type: none"> Uptake of new technology and innovation. Supporting energy affordability. Keeping our technology system and data secure.

Changes from our previous material issues

While “Industry collaboration” is no longer identified as a standalone material issue, it remains a key enabler of how we work.

“Supporting energy affordability” has been introduced as a material issue, replacing “Price and reliability.” This reflects both feedback we received on how it was being interpreted by stakeholders and an acknowledgement of current financial pressures.

During FY27, we are implementing an insights function to our relationship management database. This will help provide context to existing material topics and identify potential new areas of focus.